



ARIZONA HOUSE OF REPRESENTATIVES

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Senate: COM DP 6-3-0-0 | 3rd Read 18-10-2-0

Final Pass 35-24-1-0

HB 2822: personal property; additional depreciation

Sponsor: Representative Weninger, LD 17

Transmitted to the Governor

Overview

Sets the valuation factor, for property tax purposes, for specific class one, class two (P) and class six personal property acquired and initially classified on or after January 1, 2022, to 2.5%.

History

Arizona taxes all property based on its use unless it is constitutionally exempted ([Article 9, Sections 2, 2.1, 2.2 and 2.3](#)) and has two types of property taxes that are levied:

- 1) Primary, which is for maintenance and operation of a taxing jurisdiction and
- 2) Secondary, which is for bonded indebtedness, voter-approved budget overrides and special taxing districts.

Property is listed as either real (land, buildings and improvements to land) or personal (office furniture, business equipment and tools used for business purposes) and divided into nine legal classes. The valuation of property is divided between the Department of Revenue, which values centrally assessed properties, and county assessors, who value all other properties.

Current law sets the valuation factor for the first tax year of assessment at 25% for specific personal property in class one, class two (P) and class six. ([A.R.S. § 42-13054](#))

Provisions

1. Sets the valuation factor at 2.5% for specific personal property in class one, class two (P) and class six that is acquired and initially classified during or after tax year 2022. (Sec. 1)

☐ Prop 105 (45 votes)

☐ Prop 108 (40 votes)

☐ Emergency (40 votes)

☒ [Fiscal Note](#)